

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

CONNECTICUT GENERAL LIFE	§	
INSURANCE COMPANY AND	§	
CIGNA HEALTH AND LIFE	§	
INSURANCE COMPANY	§	
	§	JURY DEMANDED
Plaintiff,	§	
	§	
VS.	§	CIVIL ACTION NO.: 4:13-CV-3291
	§	
HUMBLE SURGICAL HOSPITAL, LLC	§	
	§	
Defendant.	§	

HUMBLE SURGICAL HOSPITAL, LLC'S
NOTICE OF EXPERT UPDATE

Humble submits this notice to the Court of an update to its expert's model of benefits due Humble for Cigna's unjustified refusal to pay claims.

On January 20, 2016, Humble's expert Charlotte Kohler testified regarding her calculation of the amount of unpaid benefits due Humble in this case. Ms. Kohler presented a model, her Allowables Model, that successfully reconstructs the "but-for" world that would have existed had Cigna not improvidently flagged Humble as a fee-forgiver in December 2011.

As part of her Allowables Model, Ms. Kohler determined the appropriate allowable amounts for claims based on the governing plans and whether those claims and plans were subject to negotiation. Ms. Kohler divided Humble's 595 claims into separate categories, or "buckets," based on how the allowable amounts of each claims would have been determined by Cigna in the but-for world.

Cigna, however, failed to produce plans governing 49 of Humble's 595 Pursued Claims. Humble requested the missing plans on Monday, January 18, 2016. Exhibit 1 (Lahad email).

During trial on January 19, 2016, counsel for Cigna represented that Cigna needed plan years in order to produce the missing plans. 01/19/16 Trial Tr. at 2:4-7. Humble provided plan years the same day. Exhibit 2 (Lahad email).

Cigna produced plans covering 23 of the 49 claims on February 2, 2015. Ms. Kohler has reviewed the additional plans and has updated her benefits-due model. The net result is a decrease of \$26,394 in the amount of benefits due HSH to \$11,365,878.58. Ms. Kohler's brief update and supporting data are attached as Exhibit 3. These results support the validity of Ms. Kohler's model as the most accurate approximation of the but-for world.

Humble requested the remaining unproduced plans on February 9, 2016, but has heard nothing from Cigna. Exhibit 4 (Lahad email). Should Cigna produce the remaining plans, Humble and its expert reserve the right to further update the amount of benefits due Humble.

Dated: February 17, 2016

Respectfully submitted,

By: /s/ John Lahad

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CERTIFICATE OF SERVICE

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